

Office of the Financial and Program Auditor

**37-01-Independent Reviews of County Operations As Directed By
the Board of Supervisors Through Its Audit Committee**

Fund/Agency: 001/37		Office of the Financial and Program Auditor
Personnel Services	\$168,899	This CAPS accounts for 100 percent of total expenditures.
Operating Expenses	\$10,311	
Recovered Costs	\$0	
Capital Equipment	\$0	
Total CAPS Cost:	\$179,210	
Federal Revenue	\$0	
State Revenue	\$0	
User Fee Revenue	\$0	
Other Revenue	\$0	
Total Revenue:	\$0	
Net CAPS Cost:	\$179,210	
Positions/SYE involved in the delivery of this CAPS	2/2	

► CAPS Summary

The Board of Supervisors decided it needed its own independent auditor to assist it in determining the manner in which policies, programs, and resources authorized by the Board are being deployed by management, and whether they are consistent with the intent of the Board and in compliance with all appropriate statutes, ordinances, and directives.

The current Office of the Financial and Program Auditor came into existence in March 1997. It operates as a two-person office under the direction of an Audit Committee of the Board of Supervisors. The Audit Committee determined that it would meet quarterly, and that the Office of the Financial and Program Auditor would submit four status reports annually, timed to coincide with the quarterly Audit Committee meetings.

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Working together, the Audit Committee and the Office of the Financial and Program Auditor determined the areas to be reviewed by the Office. These areas have included the operation of the Retirement Administration Agency, as well as expediting requests for grant reimbursements by various County agencies. The latter review has added millions of dollars to the County's pooled cash and hundreds of thousands of dollars in investment income. Other areas reviewed include the collection of overdue accounts receivable that were at least a year old, which has resulted in the County receiving hundreds of thousands of dollars it might otherwise not have collected. Additional collections are underway which should increase the amount of overdue receivables collected to more than a million dollars.

The Audit Committee most recently has requested a review of the controls over money collected by the County as a result of proffers pledged by developers, and the expenditure of that money.

It is a goal of the Office of the Financial and Program Auditor to maximize revenue for the General Fund, or prevent unnecessary General Fund expenditures. As part of its performance measurement goals, the Office strives to save money amounting to at least 200 percent of its own budget. The amount saved as a result of the Office's reviews since March 1997 is approximately \$3.4 million. The cost of operating the Office during that period has been less than \$650,000 through June 30, 2001, a ratio of about \$5 saved for every \$1 spent. The audits are conducted under the direction of an Audit Committee and the savings achieved by audits will vary depending on the type of audits undertaken and the conditions found.

The Board of Supervisors also determined that the Office of the Financial and Program Auditor should be responsible for operating the Fairfax County Government Audit Hotline to obtain citizen comments/suggestions on County programs and services. The Audit Hotline offers citizens a way to suggest improvements in County services or to report any alleged waste, fraud or mismanagement they may perceive in the County Government.

Since its creation in May 1997 by the Board of Supervisors, the hotline has received more than 100 calls. The calls are received by a private company which, on a pro bono basis, writes them up and faxes them to the Office of the Financial and Program Auditor. The Office of the Financial and Program Auditor reviews the faxed material and if necessary, discusses it with the recipient of the call to ensure an understanding of the complaint or suggestion. The Office then types up the complaints/suggestions and provides them to the County Executive's Office where they are forwarded to the appropriate County agency for action and response. The responses flow back through the County Executive's Office to the Office of the Financial and Program Auditor where they are checked for completeness. The Office of the Financial and Program Auditor then summarizes the responses into the original write-ups of the complaints/suggestions to ensure a written record of the each hotline call and actions taken as a result of the calls.

The Office of the Financial and Program Auditor coordinates its work with the County's Office of Internal Audit which operates under the County Executive. This coordination ensures cooperation and eliminates duplication of audit effort.

► Method of Service Provision

The audits are conducted by two County employees, a Director and a Management Analyst II. The hours of operation are from 8:00 a.m. to 5:00 p.m. Monday through Friday.

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► Performance/Workload Related Data

Title	FY 1998 Actual	FY 1999 Actual	FY 2000 Actual	FY 2001 Estimate	FY 2002 Estimate
Audit reports issued	N/A	5	4	4	4
Savings achieved as a percent of the agency's budget	N/A	1,200%	474%	200%	200%
Percent of audit reports completed on time	N/A	100%	100%	100%	100%
Percent of recommended improvements in operations accepted and implemented by County agencies	N/A	100%	100%	90%	90%